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EXECUTIVE OFFICE (916) 653-7244 1500-11th STREET SACRAMENTO, CA 95814

BILL JONES Secretary of State State of California

Public Comments on The Revised Phase II CALFED Report

Submitted By Secretary of State Bill Jones and Members of the California Legislature

Ravaged by the worst drought in more than a generation, the Summer of 1999 for the residents of the Eastern United States has been one of searing heat, little or no agricultural production and dwindling supplies of water. By contrast, this summer Californians are reaping the benefits of nature's long, wet winter. But as we experienced for ourselves not more than six years ago, California is even more susceptible to drought than today's stricken Eastern states. In fact, with California's history of devastating – and long-lasting – droughts, it is not out of the realm of possibility that the United States could experience a bi-coastal drought in the next millennium, the consequences of which would be enormous and would have global implications. For example, agriculture and agri-business would be virtually shut-down, effecting world food production and supply; high-tech industries and manufacturers would be unable to rely on a stable water supply for production of micro-chips and other products, thereby imperiling the economic underpinnings of today's technology-driven economy.

In an effort to learn the lessons of the six-year drought of the late 1980's and early 1990's, California's political, business and environmental leaders agreed to create CALFED in 1994 to collaborate and address the obstacles facing the San Joaquin Bay-Delta and California's overall water supply. That goal was furthered in 1996 when urban and agricultural stakeholders successfully partnered with environmentalists to support Proposition 204, whose passage resulted in more than \$1 billion in State bonds and Federal matching funds to restore the Bay-Delta and promote safe, clean, reliable water for California

Unfortunately, the hard work and collaborative efforts of the past five years put forth to ensure reliable supplies of clean water from the Bay-Delta are now being threatened by political opportunists who are seeking to halt the creation of jobs and sustainable growth in California. Nowhere is this more evident than in CALFED's June 1999 Revised Phase II Report. In that report, CALFED proposes a significant environmental habitat restoration program, minor improvements in source water quality, but does not directly propose any apparent improvements in the water supply and delivery available to California's urban and agricultural areas.

Science and sound policy development have been replaced with "political science," fostering arbitrary pre-judgments of the CALFED process that are eliminating critical options and ignoring key issues. And ever-increasing operational constraints and additional reductions in agricultural and urban water supply, which is due in part to the Department of Interior's implementation of the Endangered Species Act (ESA) and the CVPIA regulations, are creating a California that is more vulnerable to drought, flood damage and environmental degradation than even before the CALFED process began. This year's reduction in pumping due to the Delta Smelt only underscores the problems we face even in wet years as reduced supplies threaten the economies of Silicon Valley and Southern California as well as our state's agriculture industry.

We urge CALFED to take into account the urgency required for California to plan now for the next, inevitable drought when the economic hardship and loss of jobs will be twice as devastating due to increased populations and demand for water resources. This call to action echoes the warnings delivered almost a decade ago by Wall Street when they urged the state to take the necessary steps to mitigate the drought-related problems of the past. To ensure California's bond rating and economic underpinnings we must invest in additional water storage to guard against risk during the next drought.

However, groups who seek to jeopardize California's continued job growth are being allowed to distort the financial viability of storage components by ignoring the multiple benefits that added storage capacity can have in California -- preventing floods during wet years as well as capturing additional water for environmental, agricultural and urban uses during dry years.

We call upon President Clinton and Governor Davis and all CALFED participants to halt the crisis of credibility now facing CALFED. To accomplish this the following steps must be taken:

- Restore confidence in the CALFED process by working to ensure that water supplies
 available to farms and cities at the time that the December 1994 Delta Accord was
 executed are not further reduced by additional Endangered Species Act (ESA) and other
 regulatory actions. Also, water supply and quality assurances are needed prior to
 CALFED implementation of a program that provides ecosystem restoration. Finally, that
 area of origin protection and flood control are taken into account by CALFED.
- 2. Reinstate confidence in the overall CALFED process by ensuring a final PEIS/EIR and Record of Decision based on a clear schedule that includes the following:
 - Improving Source Water Quality: CALFED should work with urban water supply agencies to establish quantifiable benchmarks, by the end of the year, for the improvement of source water quality as it relates to bromides, total organic compounds (TOC) and salinity, as well as defining specific measures within and outside the delta to accomplish these benchmarks. A drinking water council should be established immediately.

- Deciding About Storage: CALFED should make a commitment before the Record of Decision regarding how much new surface and groundwater storage capacity will be required to accomplish program objectives. CALFED should remove the requirement outlined on page 107 of the Phase II Report, which reads "Decisions to construct groundwater and/or surface water storage will be predicated upon complying with all program linkages..."(emphasis added). CALFED cannot work without the ability to capture water during the wet years. As a result, for CALFED to achieve its goals there needs to be a commitment to bring some new surface storage on line before the end of Stage I.
- Establishing an Environmental Water Account: An EWA, in combination with modified operational rules, must be in place before the next water year to avoid another "delta smelt crisis." The EWA should:
 - a) Create additional water and share it between the water users and environment;
 - b) Assure water suppliers of increased water supplies relative to those available under the Accord;
 - c) Assure improvements in source quality for urban drinking water; and
 - d) Provide regulatory assurances for the duration of Stage 1 of CALFED.
- Implementing the South Delta Program: CALFED should immediately implement the south delta program, including expansion of pumping capacity at the Banks Pumping Plant to 10,300 cfs, dredging of south delta channels, an operable fish barrier at the head of the Old River, and salinity barriers to assure delta waters users of improved water quality and reliability.
- Establishing a Science Review Panel: A science review panel should be established immediately to ensure that all environmental restoration actions are based on the best possible science. The panel members should have substantial credentials and minimal previous direct association with Bay-Delta issues.
- 3. Support for a water bond that ties authorized components to quantifiable "new water" for use at any time and to consider the multiple benefits of flood control that additional water storage provides to California.
- 4. The Department of Water Resources identify all "new water" produced through CALFED and/or bond components.

Now more than ever, the environmental health of the Bay-Delta and the economic well-being of the State of California are dependent on the successful and timely completion of the CALFED process. And it will take everyone working together to ensure that CALFED's mission, which began almost six years ago, continues in its promise to protect the environment of the delicate Bay-Delta estuaries and fisheries while providing quality jobs and sustainable growth through clean and reliable water supplies.

BILL JONES
Secretary of State

Senator David Kelley

Senator Charles Poochigian

Red Olle

Assemblyman Bill Leonard

Assemblyman Richard Dickerson

Charlene Ettel

Assemblywoman Charlege Zettel

Assemblyman Dave Cox

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Senator Dick Monteit

Assemblyman Mike Briggs

Kony Mullu Assemblyman Tony Strickland	Assemblyman Bob Margety
Assemblyman Dick Ackerman	Assemblyman George House
Assemblyman Roy Ashburn	Manuel Man C. Leach
Bullaybell Assemblyman Fill Campbell	Assemblyman Abel Maldonado
	Assemblyman Sam Aanestad
	Out & feuts
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